

VILLAGE OF BONITA, LOUISIANA

FINANCIAL REPORT
(Compiled)

2022

REPORT ON APPLYING AGREES-UPON PROCEDURES

JUNE 13, 2023

Under provisions of 3449 law, this report is a public document. A copy of this report has been submitted to the entity and effect appropriate public officials. The report is available for public inspection at the Parish Courthouse of the Louisiana Parish and, where appropriate, at the office of the parish clerk of court.

Business Date 1/9/22

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HILL, INZINA & COMPANY

ACCOUNTANT'S COMPLETION REPORT

Honorable Michael Lytle, Mayor
and Members of the Board of Aldermen
Village of Homer, Louisiana

We have compiled the accompanying general-purpose financial statements of Village of Homer, Louisiana, as of and for the year ended June 30, 2001, and the accompanying supplementary schedule, which is presented only for additional analysis, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplementary schedule, information that is the representation of management. We have not audited or reviewed the accompanying financial statements and supplementary schedule and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in the financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Village's assets and other debts, liabilities, equity and other capital resources, and expenditures/expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Hill, Inzina & Co.

November 7, 2001

GENERAL-PURPOSE FINANCIAL STATEMENTS
COMBINED STATEMENTS - OVERVIEW

VILLAGE OF BONITA, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS June 30, 2001

ASSETS AND OTHER DEBITS	Governmental Fund Types		
	General	Debt Service	Capital Projects
Assets:			
Cash and cash equivalents	\$ 8,360	\$ 12,200	\$ 20
Accounts receivable	-	-	-
Due from other funds	552	12,304	-
Restricted assets:			
Cash	-	-	-
Certificate of deposit	-	-	-
Due from other funds	-	-	-
Fixed assets (net)	-	-	-
Other debits:			
Amount available in Debt Service Funds	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-
Total assets and other debits	\$ 8,912	\$ 24,504	\$ 20

Proprietary Fund Type	Account Groups		Totals - (Minimums shown Only)
	General Fund Assets	General Long-Term Debt	
Enterprise			
\$ 4,907	\$ -	\$ -	\$ 15,689
9,695	-	-	9,695
264	-	-	88,188
40,557	-	-	40,557
7,005	-	-	7,005
3,380	-	-	2,260
1,847,880	964,982	-	1,982,842
-	-	58,000	38,000
-	-	8,000	8,000
<u>\$ 1,117,188</u>	<u>\$ 964,982</u>	<u>\$ 66,000</u>	<u>\$ 2,177,134</u>

(continued)

VILLAGE OF BONITA, LOUISIANA

COMBINED BALANCE SHEET -
ALL FUND TYPES AND ACCOUNT GROUPS (Continued)
June 30, 2004

LIABILITIES, EQUITY, AND OTHER CREDITS	Governmental Fund Types		
	General	Debt Service	Capital Projects
Liabilities:			
Accounts payable	\$ 5,584	\$ -	\$ -
Accrued liabilities	1,514	-	-
Due to other funds	11,502	964	-
Payable from restricted assets:			
Customers' deposits	-	-	-
Revenue bonds payable - current	-	-	-
Accrued interest payable	-	-	-
Due to other funds	-	-	-
Revenue bonds payable - mat. of current portion	-	-	-
General obligation bonds payable	-	-	-
Notes payable	-	-	-
Total liabilities	\$ 18,578	\$ 964	\$ -
Equity and other credits:			
Contributed capital	\$ -	\$ -	\$ -
Investment in general fixed assets	-	-	-
Retained earnings:			
Reserved for revenue bond retirement and water disposal (deficit)	-	-	-
Unreserved (deficit)	-	-	-
Fund balances:			
Reserved for debt service	-	38,673	-
Unreserved and undesignated (deficit)	(9,415)	-	20
Total equity and other credits	\$ 9,415	\$ 38,673	\$ 20
Total liabilities, equity, and other credits	\$ 27,993	\$ 39,637	\$ 20

See accountant's compilation report.

Proprietary Fund Type	Account Groups		Totals - Miscellaneous Data
	General Fund Assets	General Long-Term Debt	
Revenue			
\$ 1,094	\$ -	\$ -	\$ 1,094
-	-	-	1,514
2,599	-	-	14,535
11,476	-	-	11,476
18,800	-	-	18,800
4,842	-	-	4,842
43,843	-	-	43,843
125,000	-	-	125,000
-	-	18,800	38,000
-	-	8,896	8,098
<u>\$ 208,628</u>	<u>\$ -</u>	<u>\$ 68,696</u>	<u>\$ 286,028</u>
\$ 1,386,575	\$ -	\$ -	\$ 1,386,575
-	904,982	-	944,982
(21,590)	-	-	(21,590)
(463,032)	-	-	(463,032)
-	-	-	78,671
<u>-</u>	<u>-</u>	<u>-</u>	<u>9,599</u>
<u>\$ 911,963</u>	<u>\$ 904,982</u>	<u>\$ -</u>	<u>\$ 1,386,218</u>
<u>\$ 1,112,588</u>	<u>\$ 904,982</u>	<u>\$ 68,696</u>	<u>\$ 2,172,274</u>

VILLAGE OF BONTA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES Year Ended June 30, 2001

	General	Debt/Service	Capital Projects	Totals - (Memorandum Only)
Revenues:				
Taxes	\$ 51,502	\$ 10,548	\$ -	\$ 62,050
Licenses and permits	18,443	-	-	18,443
Intergovernmental	8,793	-	-	8,793
Fines and forfeitures	52,338	-	-	52,338
Interest and miscellaneous	1,148	329	-	1,477
	<u>\$ 111,824</u>	<u>\$ 11,127</u>	<u>\$ -</u>	<u>\$ 122,951</u>
Expenditures:				
Current:				
General government	\$ 39,433	\$ -	\$ -	\$ 39,433
Public safety	60,394	-	-	60,394
Highways and streets	8,841	-	-	8,841
Debt service:				
Principal retirement	2,483	3,008	-	5,491
Interest	823	3,082	-	3,905
Capital outlay	985	-	-	985
	<u>\$ 112,859</u>	<u>\$ 6,092</u>	<u>\$ -</u>	<u>\$ 118,951</u>
Excess (deficiency) of revenues over expenditures	\$ 1,329	\$ 5,035	\$ -	\$ 6,364
Other financing sources (uses):				
Operating transfers in	12,600	-	-	12,600
Operating transfers out	(1,745)	-	-	(1,745)
Excess of revenues over expenditures and other financing sources (uses)	\$ 3,816	\$ 5,035	\$ -	\$ 8,851
Fund balances (deficit) - beginning	(1,221)	23,495	20	22,294
Fund balances (deficit) - ending	<u>\$ 2,595</u>	<u>\$ 28,530</u>	<u>\$ 20</u>	<u>\$ 31,145</u>

See accountant's compilation report.

VILLAGE OF BONITA, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GOVERNMENTAL FUND TYPE - GENERAL FUND Year Ended June 30, 2008

	Budget	Actual	Variance - Favorable/ (Unfavorable)
Revenues:			
Taxes	\$ 30,218	\$ 30,902	\$ 1,683
Licenses and permits	15,000	16,449	1,448
Intergovernmental	2,648	9,769	7,121
Fines and forfeitures	26,000	32,538	16,538
Interest and mixed income	680	1,186	506
	<u>\$ 74,546</u>	<u>\$ 111,834</u>	<u>\$ 37,196</u>
Expenditures:			
Current:			
Current government	\$ 30,569	\$ 39,473	\$ 7,904
Public safety	33,646	68,794	35,148
Highways and streets	5,240	8,881	3,641
Water service	-	2,800	2,800
Principal retirement	-	635	635
Interest	764	-	764
Capital outlay	-	285	285
	<u>\$ 91,159</u>	<u>\$ 112,868</u>	<u>\$ 21,709</u>
Excess (deficiency) of revenues over expenditures	\$ 6,700	\$ 1,319	\$ 5,381
Other financing sources (uses):			
Operating transfers in	-	12,600	12,600
Operating transfers out	-	(7,452)	(7,452)
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	\$ 6,700	\$ 6,467	\$ 233
Fund balance (deficit) - beginning	<u>(11,216)</u>	<u>(11,216)</u>	
Fund balance (deficit) - ending	<u>\$ (4,516)</u>	<u>\$ (4,749)</u>	<u>\$ 233</u>

See accountant's compilation report.

VILLAGE OF DONITA, LOUISIANA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS - PROPRIETARY FUND TYPE - ENTERPRISE FUNDS Year Ended June 30, 2001

Revenues:	
Water and sewer fees	\$ 52,157
Expenses:	
Contracted labor	\$ 18,380
Depreciation	37,316
Insurance	3,891
Interest	6,964
Office	1,408
Other operating	15,015
Repairs and maintenance	1,260
Salaries	24,550
Utilities	10,119
Vehicle	483
	<u>\$ 117,517</u>
Operating income (loss)	\$ 25,120
Nonoperating revenue:	
Interest	<u>1,681</u>
Income (loss) before operating transfers	\$ 24,909
Operating transfers in	7,435
Operating transfers out	<u>12,689</u>
Net income (loss)	\$ 20,454
Retained earnings (deficit) - beginning	<u>1,059,159</u>
Retained earnings (deficit) - ending	<u>\$ 1,489,613</u>

See accountant's compilation report.

VILLAGE OF BONITA, LOUISIANA

STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE - ENTERPRISE FUND Year Ended June 30, 2005

CASH FLOWS FROM OPERATING ACTIVITIES

Operating income (loss)	
Adjustment(s) to reconcile opening income (loss) to net cash provided by operating activities:	\$ 25,320
Depreciation	
(Increase) decrease in accounts receivable	77,316
(Increase) decrease in due from other funds	(640)
(Increase) decrease in restricted assets	(264)
Increase (decrease) in accounts payable	5,562
Increase (decrease) in liabilities payable from restricted assets	431
Net cash flows provided by operating activities	<u>\$ 85,001</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Operating transfers in	\$ 7,455
Operating transfers out	<u>1,026</u>
Net cash flows provided (used) by noncapital financing activities	<u>\$ 6,429</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Repayment of long-term debt	<u>\$ 9,000</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest earned	<u>\$ 1,011</u>
Increase in cash	\$ 2,887

CASH - beginning	<u>2,118</u>
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CASH - ending	<u>\$ 4,997</u>
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See Independent's compilation report.

SUPPLEMENTARY SCHEDULE

VILLAGE OF BONITA, LOUISIANA

SCHEDULE OF MAYOR AND BOARD OF ALDERMEN COMPENSATION Year Ended June 30, 2001

Name and Title	Compensation
Michael Lytle, Mayor	\$ 2,000
Faye Cook, Alderman	500
Raymond Conley, Jr., Alderman	500
Scott Travis, Alderman	500
	<u>500</u>
Total compensation	\$ <u>4,000</u>

See accountant's compilation report.

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
ATTACHMENT 2, 1988 LA 3063**

Honorable Michael Lytle, Mayor,
and Members of the Board of Aldermen
Village of Houma, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and summarized below, which were agreed to by the management of Village of Houma, Louisiana, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village's compliance with certain laws and regulations during the year ended June 30, 2001, included in the accompanying *Louisiana Observation Questionnaire*, dated November 7, 2001. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our applied procedures, together with any findings, follow:

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-BS 38:2211-2251 (the public bid law).
2. Our review of the detail general ledger for the period under examination revealed no individual expenditures for materials and supplies exceeding \$15,000 and no individual expenditures for public works exceeding \$100,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-BS 43:5161-5164 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

3. Obtain from management a listing of all employees paid during the period under examination.
4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (1) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.
 - o Management provided the required information and we noted no instances of noncompliance.

Auditing

5. Obtain a copy of the legally adopted budget and all amendments.
6. Trace the budget adoption and amendments to the minute book.
7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceeded budgeted amounts by 5% or more.
 - o For the year ended June 30, 2001, actual expenditures of \$112,854 of the General Fund exceeded appropriations of \$91,159 by more than 5%.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and: (a) trace payments to supporting documentation as to proper amount and payee; (b) determine if payments were properly coded to the correct fund and general ledger account; and (c) determine whether payments received approval from proper authorities.
 - o We examined supporting documentation for each of the six randomly selected disbursements and found that the payments were for the proper amounts and made to correct payees; were properly coded to the correct fund and general ledger account; and received approval from the Board of Aldermen.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1-12 (for open meetings law).
 - o Management asserted that due to the lack of funds, agendas for meetings are not published in the official journal but are nonpublicly posted at Village Hall. We observed the posted agendas for the most recent meeting.

Debt

10. Examined bank deposits for the period under examination and determined whether any such deposits appeared to be proceeds of bank loans, bonds, or like indebtedness.
- We examined bank deposits and the detail general ledger for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Allowance

11. Examined payroll records and minutes for the year to determine whether any payments had been made to employees which may constitute bonuses, advances, or gifts.
- A reading of the minutes for the Village for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which indicated payments to employees which would constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Village of Dorris, Louisiana, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Attest, Dwyer & Co.

November 7, 2004

LOUISIANA ATTESTATION QUESTIONNAIRE

September 2, 2001 (Date Transmitted)

H&B, Inc. & Co.
Certified Public Accountants
P.O. Box 871
Baton Rouge, LA 71221-0871

In connection with your compilation of our financial statements as of June 30, 2001, and for the year then ended, and as required by Louisiana Revised Statute 24:293 and the Louisiana Governmental Audit Guide, we make the following representations to you.

We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations. These representations are based on the information available to us as of 12-2-01 (Date of completion).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 28:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan or promise, from anyone that would constitute a violation of LSA-RS 42:1103-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1988, under circumstances that would constitute a violation of LSA-RS 42:1118.

Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 19:1301-140) or the budget requirements of LSA-RS 39:14.

Yes ☒ No ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:13, and 44:26.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with LSA-RS 24:214, 24:401, and/or 24:92, as applicable.

Yes ☒ No ☐

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes ☒ No ☐

Meetings

We have complied with the provisions of the Open Meetings Law, provided in LSA-RS 42:1 through 42:17.

Yes ☒ No ☐

Deals

It is true we have not entered any indebtedness, other than credit for 90 days or less, to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section (2) of the 1974 Louisiana Constitution and LSA-RS 39:1410.60-1410.65.

Yes ☒ No ☐

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 94 of the 1974 Louisiana Constitution, LSA-RS 14:138 and AG Opinion 79-729.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

Michael J. Lutz _____ Mayor 11-7-01 _____ Date
Edward P. McNamee _____ Clerk 11-7-01 _____ Date

VILLAGE OF DOMITA, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS WITH
MANAGEMENT'S PLANNED CORRECTIVE ACTION
For the Year Ended June 30, 2001

We have compiled the general-purpose financial statements of Village of Domita, Louisiana, as of and for the year ended June 30, 2001, and have issued our report thereon dated November 7, 2001. We conducted our compilation in accordance with *Statements on Standards for Accounting and Review Services*, issued by the American Institute of Certified Public Accountants.

Section I - Agreed-Upon Procedures

Procedure 7 Budgeting (initial ruling)

Finding:	For the year ended June 30, 2001, actual expenditures of \$112,993 of the General Fund exceeded appropriations of \$98,139 by more than 3%.
Management's response and planned corrective action:	The chief executive officer, or equivalent, will periodically monitor the budget and notify the Board of Aldermen in writing during the year when actual receipts plus projected revenue collections will fall no more budgeted revenues by 3% or more, or when actual expenditures plus projected expenditures to year end will exceed budgeted expenditures by 3% or more.
Contact person:	Mayor Michael Lytle
Anticipated completion date:	Amendments, if any, of the budget for the year ending June 30, 2002, will be made as required.

Section II - Financial Statement Findings

2001-1	<i>Inadequate Segregation of Duties (initial sitting in audit conducted by our firm as of and for the two years ended June 30, 1992)</i>
Finding:	The segregation of duties is inadequate to provide effective internal control.
Management's response and planned corrective action:	Management concurs with the finding, but it is not economically feasible and does appear there for corrective action to be taken.
Contact person:	Mayer Michael Lytle
Anticipated completion date:	Not applicable
2001-2	<i>Deficit Fund Balance (initial sitting)</i>
Finding:	The General Fund has a deficit fund balance as of June 30, 2001, of \$5,418.
Management's response and planned corrective action:	Additional revenues will be generated by a 1% sales tax levy that passed in April, 2001, and will become effective July 1, 2001.
Contact person:	Mayer Michael Lytle
Anticipated completion date:	The deficit fund balance will be eliminated as additional revenues are generated.

2001-3	<p>Deficit Enterprise Fund Retained Earnings (initial citing in June 18, 1994, report on compliance with laws and regulations)</p>
Finding:	<p>The Enterprise Fund is in a deficit position and continues to incorporate losses as the water and sewer rate structure is not adequate to provide for all necessary expenses.</p>
Management's response and planned corrective action:	<p>Management increased water and sewer rates in 1995 and 1996. An additional sewer rate increase was implemented in May, 1998, upon the completion of a sewer expansion.</p>
Contact person:	<p>Mayor Michael Lytle</p>
Anticipated completion date:	<p>Management will periodically review the water and sewer rate structure to determine its adequacy and will make adjustments accordingly.</p>
2001-4	<p>Deficit Bond Funding Requirements (initial citing in June 30, 1992, report on compliance with laws and regulations)</p>
Finding:	<p>As of June 18, 2001, only two of the six deposit requirements of the individual waterworks and sewer revenue bond resolutions had been met.</p>
Management's response and planned corrective action:	<p>Management will adequately fund the requirements as monies become available and the bondholders will be made aware of the actions.</p>
Contact person:	<p>Mayor Michael Lytle</p>
Anticipated completion date:	<p>Not currently determinable.</p>

Section III - Management Letter

Issued:

Section IV - Other

2000-1

Duties Violation

Criteria:

Pursuant to LSA-RS 42:1113, no public servant (public employee or elected official) shall receive anything of economic value, other than compensation and benefits from the governmental entity to which he is duly entitled, for the performance of the duties and responsibilities of his office or position.

Conditions:

On April 20, 2000, our firm was made aware by citizens' complaints and other sources, that a criminal act was occurring in a building owned by the Village was being used for personal purposes of a Village employee on the employee's private property located outside the Village.

After contacting the Legislative Auditor's office, our firm informed the Mayor, in writing, of such act and informed him of his responsibility, as a public official, to make the act known, in writing, to both the Legislative Auditor and the local District Attorney's office. The Village was also informed to make efforts to actively seek civil recovery.

Causes:

The Mayor was aware of the act but was of the opinion that the act benefited the Village by encouraging new housing development.

Effects:

The Mayor and employee are possibly subject to criminal prosecution.

Recommendation:

All public servants of the Village should be made aware of applicable state statutes relating to their services and compensation from the governmental entity.

Management's response and planned corrective action:

The Mayor did promptly contact, in writing, the Legislative Auditor and District Attorney's office. As of the date of this report, the matter is being legally handled by these authorities.

VILLAGE OF BONITA, LOUISIANA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
For the year Ended June 30, 2001

Section I - Agreed-Upon Procedures

Procedure 2 Budgeting

Actual expenditures exceeded appropriations by more than 5%.	No longer applicable. Same citing for current fiscal year.
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Section II - Financial Statement Findings

2000-1 Inadequate Segregation of Duties

Adequate segregation of duties is essential to proper internal control.	Unresolved - 2000-1.
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2000-2 Deficit Enterprise Fund Retained Earnings

The Enterprise Fund is in a deficit position and continues to incur operating losses as the water and sewer rate structure is not adequate to provide for all necessary expenses.	Unresolved - 2000-2.
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2000-3 Deficit Bond Funding Requirements

The deposit requirements of the individual waterworks and sewer system bond resolutions are not being adequately met.	Unresolved - 2000-4.
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Section III - Management Letter

2000-1 Individual Funds' Trial Balances

Software more appropriately suited for proper governmental fund accounting should be purchased or the software currently being utilized by the Village should be modified to better meet the Village's purposes of accounting, auditing, budget comparisons, etc.	Unresolved - 2000-1.
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2000-2 Expending of Dedicated Funds

Interfund receivables and payables exist for dedicated and restricted funds expended for unauthorized purposes during prior periods.	Unresolved - 2000-3.
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1800+3

Violation of State Statute

Official proceedings of the Village are not being published in the official journal.

Uninvolved - 2009.3.

HILL, INZINA & COMPANY

Honorable Michael J. Lytko, Mayor,
and Members of the Board Aldermen
Village of Berlin, Louisiana

We have compiled the general-purpose financial statements of Village of Berlin, Louisiana, as of and for the year ended June 30, 2001, and have issued our report thereon dated November 7, 2001. We conducted our compilation in accordance with *Statements as Standards for Accounting and Review Services*, issued by the American Institute of Certified Public Accountants.

During the course of compilation, we became aware of the following matters which represent immaterial deviations of compliance or suggestions for improved internal controls.

2001-1 Individual Funds' Trial Balances and Posting

Criteria:	"Uncategorized", interfund transactions, revenues, and expenditures should be properly recorded so that trial balances for each fund can be readily obtained. Also, revenues and related expenditures of a funding source should not be posted to the same account resulting in a "wash".
Condition:	During time was spent by the auditor to arrive at trial balances for each individual fund. An analysis of the detail general ledger detected grant funds and related expenditures being posted to the same account which resulted in a zero balance. Reimbursements of the state sales tax collected from utility customers were posted in to reduce overall sales tax revenue.
Cause:	The accounting software currently used by the Village was not written specifically for use in used appropriately for proper governmental fund accounting.
Effect:	Individual fund's trial balances are not readily available and account balances do not reflect the actual financial activity for purposes of accounting, auditing, budget comparisons, etc.
Recommendation:	Software more appropriately suited for proper governmental fund accounting should be purchased or the software currently being used by the Village for accounting purposes should be modified to better meet the Village's needs. Revenues and expenditures should not be posted to the same account.

Management's
response and
planned cor-
rective action:

Changes have and are continually being made to eliminate the problems.

2001-2

Expending of Dedicated Funds

Criteria:

All valorem taxes approved by the electorate can only be expended for purposes approved in the referendum.

Condition:

Interfund receivables and payables exist for dedicated and restricted funds expended for unauthorized purposes during the current and prior fiscal years.

Cause:

The continued decline in revenue sources has forced the Village to use dedicated and restricted funds to meet the bonded debt obligations of the Enterprise Fund.

Effect:

The Village is in violation of the general obligation bond resolution and is expending dedicated ad valorem tax revenues for purposes other than that for which levied.

Recommendation:

The interfund receivables and payables should be eliminated as monies are available. As funds are repaid to the Debt Service Fund, the Village should consider paying off the general obligation bonds. Also consideration should be given to reducing the ad valorem tax levy to generate only the approximate amount required to pay the annual general obligation bond principal and interest requirements.

Management's
response and
planned cor-
rective action:

We will reduce these amounts as funds become available.

2001-3

Violation of State Statute

Criteria:

LA R.S. 48:143-144 and A.C. 82-383 require that minutes, ordinances, resolutions, budgets, and other official proceedings of the Village be published in the official journal.

Condition:

Official proceedings of the Village are not being published in the official journal.

Cause:	The Village's management is of the opinion that due to the lack of funds, this expenditure is not feasible.
Effect:	The Village is in violation of the statute and opinion cited.
Recommendation:	We recommend that the Village adhere to the provision.
Management's response and planned corrective action:	We will publish the required proceedings in the official journal as funds become available.

3006-4

State Supplemental Pay

Criteria:	Pursuant to L.A.R.S. 221 E-4, the Village, as employer of a police officer receiving state supplemental pay, is responsible for calculating and deducting from the officer's pay the amounts acquired by federal law to be withheld by an employer, such as federal income, social security, and medical insurance. The Village is further responsible for transmitting and reporting the same as withheld in accordance with the laws requiring the withholding.
Condition:	The Village is not calculating and deducting the required taxes from the officer's pay nor are such amounts being transmitted and reported in accordance with the laws.
Cause:	The Village has not adhered to the applicable laws.
Effect:	The Village is in violation of the laws and the affected officer is not accumulating the maximum social security benefits to be drawn upon retirement, death, or disability.
Recommendation:	The Village should amend affected payroll forms previously in the state of limitation periods and begin calculating, deducting, transmitting, and reporting the correct withholdings.
Management's response and planned corrective action:	Affected payroll forms as previously filed will be amended and withholdings will be made on future state supplemental pay as required by law.

2000-3	Expendng Maximum Allocation of Grants
Criteria:	Effort should be made to expend the maximum allocation of grants upon approval of the grantor.
Condition:	In September 1999, the Village was awarded a \$15,000 Rural Development Grant for the purpose of renovations to Village Hall. At completion of the project in July 2000, only \$10,265 was actually expended due to portions of the project being deleted or reduced. Management did not make an effort to obtain approval from the grantor to expend the remaining funds on other needs of the Village.
Cause:	Management was not aware that the grantor would consider approving additional expenditures.
Effect:	The Village possibly lost additional funding sources.
Recommendation:	Every effort should be made to obtain all available funding sources.
Management's response and planned corrective action:	Contact will be made with the funding agency when similar circumstances arise in the future.
2000-6	Collection of Accounts Receivable
Criteria:	At the November 7, 2000, Board of Aldermen's meeting, the Board agreed unanimously to enforce the rules and regulations concerning utility bill collections as presented by the Mayor. A written notice, signed by the Mayor, concerning payment of utility bills was provided to all existing customers in November 2000, and has been provided to each new customer there then upon receipt by the Village of a meter deposit. The notice stated that customers not paying utility bills on or before the 10 th of the month following the month in which originally due would have service discontinued.
Condition:	Accounts receivable in arrears as of June 30, 2001, of \$2,112 constitutes approximately 24% of the total accounts receivable of \$8,695 as of this date.
Cause:	Management has not enforced the provisions of the notice made public relating to delinquency or lack of payment of utility bills.

Effect: The Village is at risk of not collecting the revenue although a review of the delinquent account balances in arrears as of June 30, 2004, showed that the average delinquent's deposit of \$100 would be adequate to cover the majority of the balances.

Recommendation: The provisions of the notice made public should be reinforced and most definitely the statement in the notice - "absolutely no exceptions".

Management's response and planned corrective action: We will begin implementing the provisions immediately.

2001-7 Budget Preparation and Adoption

Critique: LA R.S. 39:1204 provides that the total of proposed expenditures shall not exceed the total of estimated funds available for the ensuing fiscal year.

Condition: The General Fund budget adopted for the year ended June 30, 2001, appropriated \$84,459 of revenues and \$99,119 of expenditures. The fund balance was in a deficit position at the time of the budget preparation and adoption.

Cause: The Mayor who proposes and the Council who formally adopts the budget did not abide by the provisions of the statute.

Effect: The Village is in violation of state budgeting laws.

Recommendation: State statutes applicable to budgeting should be reviewed before proposing and formally adopting budgets.

Management's response and planned corrective action: We will adhere to applicable state statutes in the budgeting process.

We recommend that management address the foregoing issues as an improvement to operations and the administration of public programs. We are available to further explain the suggestions or help implement the recommendations.

Wier, Proger & Co.

November 7, 2004